

# *Purchasing Update*

## *Training Highlights ...*

The next NIGP Workshop, Contract Administration (CEU Units 2.25) has been re-scheduled. 3 days, February 26, 27 & 28, 2007. If you missed out on the first go around there is still time to sign up. Please register by February 15, 2007. Visit our website at [www.adm.idaho.gov/purchasing](http://www.adm.idaho.gov/purchasing) and click on the link to State Buyer Training to register or send an e mail to [pearl.smith@adm.idaho.gov](mailto:pearl.smith@adm.idaho.gov) for additional information.

Division of Purchasing  
Volume 5, Issue 9

Boise, Idaho  
January 25, 2007

"You can do what you have to do, and sometimes you can do it even better than you think you can."  
-Jimmy Carter

*The Department of Administration and the Division of Purchasing would like to wish all of you a Happy New Year.*



**Keith Johnson named new Department of Administration Director**

Keith Johnson was appointed by Governor C.L. "Butch" Otter as Director for the Idaho Department of Administration beginning January 2007. Prior to this appointment, he held the elected position of Controller for the State of Idaho from 2002 through 2006 after serving as Chief Deputy State Controller from 1999 to 2002. As Controller, he also served as Secretary on the Board of Examiners and as a voting member on the Land Board.

Before returning to Idaho, Keith was Oklahoma's State Comptroller where he led a team of experts in an assessment of the economic damages caused by the bombing of the Alfred P. Murrah Federal Building. He also worked on the savings and loan crisis in Newport Beach, California and served as Assistant Treasurer in Orange County to help restore the Treasurer's Office after the County declared bankruptcy.

Keith is an active member of the American Institute of Certified Public Accountants, and the Association of Governmental Accountants. He served on the Executive Council of the National Association of State Auditors, Comptrollers and Treasurers, and in May 2005 he was named

Chairman of the Financial Accounting Foundation's Governmental Accounting Standards Advisory Council.

He earned his Bachelor's degree in Business Administration-Accounting from Boise State University, and went on to secure a Jurist Doctor from the University of Denver, College of Law.

Keith and his wife, Sue, have three children.

## **PURCHASING TIPS**

We regularly receive questions regarding the use of the Public Agency Clause. These questions range from what a "public agency" is and when the clause can or should be used. The following information is provided for your information. It is important to note that the use of the Public Agency clause is restricted to the Division of Purchasing. The follow cites are provided for your information:

IDAHO STATUTES reads in part;

**67-5717. POWERS AND DUTIES OF THE ADMINISTRATOR OF THE DIVISION OF PURCHASING.** The administrator of the division of purchasing:

(1) Shall acquire, according to the provisions of this chapter, all property for state agencies;

(2) Shall acquire all property, unless accepted, by competitive bid, and shall specifically require competitive bids for property to be rented, leased or purchased through a deferred payment plan;

(3) Shall determine, based upon the requirements contained in the specification and matter relating to responsibility, the lowest responsible bidder in all competitively bid acquisition contracts;

(4) Shall enter into all contracts and agreements, and any modifications thereto, for the acquisition of any and all property on behalf of and in the name of the state;

The Idaho Code is made available on the Internet by the Idaho Legislature as a public service.

**This Internet version of the Idaho Code may not be used for commercial purposes, nor may this database be published or repackaged for commercial sale without express written permission.**

**PUBLIC AGENCY USE Contracted services and prices shall be extended to other "Public Agencies" as defined in Section #67-2327 of the Idaho Code, which reads: "Public Agency" means any city or political subdivision of this state, including, but not limited to, counties; school districts; highway districts; port authorities; instrumentalities of counties; cities or any political subdivision created under the**

**laws of the State of Idaho. It will be the responsibility of the Public Agency to independently contract with the vendor and/or comply with any other applicable provisions of Idaho Code governing public contracts.**

**67-2327. DEFINITIONS. "Public agency" means any city or political subdivision of this state, including, but not limited to counties; school districts; highway districts; and port authorities; instrumentalities of counties, cities or any political subdivision created under the laws of the state of Idaho; any agency of the state government; and any city or political subdivision of another state. "State" means a state of the United States and the District of Columbia.**

**IDAPA 38.05.01 031 COOPERATIVE PURCHASING POLITICAL SUBDIVISIONS.** The various bid statutes relating to municipal corporations, school districts and counties may authorize these political subdivisions to utilize any contract resulting from a state bid process. A public agency may use state contracts as authorized by statute and the terms of the state contract.

### **STATEWIDE CONTRACTS WHY??????????**

The State of Idaho currently has over 100 statewide contracts and several WSCA Contracts and many other contracts with public agency clauses. These contracts cover various commodity categories for the purchase or lease of goods and services.

Often we hear questions about how do you decide what goes on a statewide contract or why can't we go off the contract if we can get a better price.

Generally statewide contracts are established for high and common usage items such as continuous forms, paper and plastic products, etc. When it is determined, usually through an agency usage survey, that usage is sufficient from all agencies, the Division of Purchasing will issue an Invitation to bid. A contract is then awarded for a period of normally one (1) year with options to renew upon mutual agreement. Because of the expected annual usage, the contract price is usually considerably less than that offered for a single agency bid and the prices remain fixed for the period of the contract and renewal. Although contractors sometimes offer "specials" or "close outs" during the contract period, the overall savings to the state is substantial over the long run. An additional savings is recognized in reductions of administrative cost and time, as numerous small bids are eliminated.

**The Western States Contracting Alliance (WSCA) was formed in October 1993 by the state purchasing directors from fifteen NASPO western states. The primary purpose is to establish the means by which participating states may join together in cooperative multi-State contracting in order to achieve cost-effective and efficient acquisition of quality products and services. Cooperative purchases are developed by member states. There is no Vendor List.**

**All governmental entities within WSCA states are welcome to use the approved agreements as well as authorized governmental entities in non-WSCA states. Cooperative purchasing benefits states as well as cities, counties, public schools and institutions of higher education.**

**Please visit their website for a complete list of contracts and more information.  
<http://www.aboutwsca.org/welcome.cfm>**

**EVERYONE BENEFITS FROM THE USE OF CUMULATIVE VOLUME-DISCOUNTED CONTRACTS!**

If you have a need or would like to see a commodity provided as a Statewide Contract, we would like to hear from you.

**Purchasing Update** is a newsletter for the **Department of Administration, Division of Purchasing** designed to provide purchasing information to state and public agency purchasing personnel. Anyone wishing to contribute information and ideas for future articles; has questions regarding state purchasing issues; the **Division of Purchasing** mission or activities, please contact Pearl Smith at (208)-332-1612 or [pearl.smith@adm.idaho.gov](mailto:pearl.smith@adm.idaho.gov)